



Request for City Council Committee Action From the Department of Public Works

Date: April 3rd, 2012

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral: Honorable Betsy Hodges, Chair Ways & Means Committee

Subject: **Contribution in Lieu of Assessment for Riverside Ave Reconstruction Project**

Recommendation:

- A. Amend capital appropriate budget 2011R-660 and accept \$360,459.72 in contribution in lieu of assessment from the University of Minnesota for (PV062) Riverside Avenue Reconstruction street improvement project:
 - i. Increase expense appropriation and revenue budget by \$248,040.38 for contribution in lieu of assessment revenue to Street Paving Capital 04100-9010937-CPV062 revenue source 322501
 - ii. Increase appropriation and revenue budget by \$112,419.34 for contribution in lieu of assessment revenue to Transportation Capital 04100-9010943-CPV062SL revenue source 322501

Previous Directives:

- March 8, 2012 Council Resolution 2012R-128 adopting the special improvement of existing street No 6746; Council Resolution 2012R-129 Requesting sale of City of Minneapolis Bonds; Council Resolution 2012R-130 ordering the work and adopting special assessments for the Riverside Av Phase 2 Street Lighting Project; Council Resolution 2012R-131 requesting the sale of City of Minneapolis Bonds; Council Resolution 2012R-132 ordering the abandonment and removal of areaways in conflict with the Riverside Av Phase 2 Street Reconstruction and Street Lighting Project.
- January 27, 2012 Council action designating the location and streets to be improved in the Riverside Av Reconstruction Phase 2 Project No. 6746 and the Riverside Av Lighting Phase 2 Project No 6746.
- July 22, 2011 Council action authorizing the proper City officers to negotiate and enter into agreements for permanent and temporary easements.
- May 27, 2011 Council Resolution 2011R-280 Ordering Riverside Ave Street Lighting Phase 1 Project to proceed and adopting special assessments.
- May 13, 2011 Council Resolution 2011R-238 Ordering Riverside Ave Phase 1 Reconstruction Project to proceed and adopting special assessments.
- May 13, 2011 Council Resolution 2011R-239 requesting Board of Estimate and Taxation to issue and sell City of Minneapolis bonds.
- April 15, 2011 Council Resolution 2011R-181 designating the location and streets to be improved in the Riverside Av Lighting Phase I Project No 6746.

- April 1, 2011 Council Resolution 2011R-142 designating the location and streets to be improved in the Riverside Av Reconstruction Phase I Project No 6746.
- January 14, 2011, Council Resolution 2011R-013 Holding Harmless the State of Minnesota from a variance from the parking lane width requirements
- December 10, 2010, Council action approving the layout for Riverside Ave between Cedar Av and Franklin Av.
- November 5, 2010, Council Resolution 2010R-534 directing the City Engineer to proceed with a variance request from the parking lane width requirements.

Prepared by: Christopher M. Engelmann, P.E., Project Engineer 673-3274

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Christopher M. Engelmann, P.E., Project Engineer, TP&E

Reviews

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|-----------------------------------|---------------------|------------|
| Permanent Review Committee (PRC): | Approval <u>N/A</u> | Date _____ |
| Civil Rights Approval | Approval <u>N/A</u> | Date _____ |
| Policy Review Group (PRG): | Approval <u>N/A</u> | Date _____ |

Financial Impact

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|----------|---|
| <u>X</u> | Action requires an appropriation increase to the Capital Budget |
| <u>X</u> | Action provides increased revenue for appropriation increase |

Community Impact

Neighborhood Notification: Not Applicable
City Goals: A SAFE PLACE TO CALL HOME: the city's infrastructure will be well-maintained, people will feel safe in the city.
Comprehensive Plan: Not Applicable
Zoning Code: Not Applicable

Background/Supporting Information

Roadway Assessments

On March 8th, 2012, Council approved the assessment for the Riverside Av Reconstruction Phase 2 No 6746 and the Riverside Av Reconstruction Street Lighting Project Phase 2 No. 6746.

The proposed street reconstruction special assessments were determined by applying the 2012 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The 2012 reconstruction assessment rates are as follows:

\$2.21/sq ft – Non-Residential
\$0.77/sq ft - Residential

The assessment rolls typically do not include University of Minnesota property. The Public Works Department has approached the University of Minnesota regarding contributing to the reconstruction project. The University of Minnesota has committed to a voluntary payment in

lieu of a special assessment in the amount of \$248,040.38. The amount contributed by the University of Minnesota follows the 2012 Uniform Assessment Rates and influence areas.

Street Lighting Assessments

Per the City of Minneapolis Street Lighting Policy, a City street lighting system will be installed with all street reconstruction projects, unless 70% of the affected properties (in a Pedestrian Priority Corridor) petition out the lighting. Petition forms were mailed to all affected property owners. Signatures representing 40% of the property in the influence zone were returned by the deadline from property owners. 8% of the property in the influence zone is not in support of the project. Petitions not returned are considered to be in favor of the street lighting project. The proposed street lighting project follows the adopted Minneapolis Street Lighting Policy. Street lights will be installed along Riverside Av from approximately the east right-of-way line of Cedar Av to the south right-of-way line of 23rd Av S (south leg). The proposed street lighting project is for a City street lighting system consisting of fifteen-foot-tall acorn-style lights soldiered with thirty-foot-tall shoe box-style lights.

The total estimated street lighting cost is \$272,800. The maximum amount to be assessed will be \$160,380.67. In addition to the special assessments, the University of Minnesota has committed to a voluntary payment in lieu of a special assessment in the amount of \$112,410.34. The proposed assessment method consists of calculation of land area of benefited parcels located within the street influence zone along the improved streets. The University of Minnesota followed the same method to determine their contribution in lieu of assessment amount.

Attachments: University of Minnesota Contribution Letter

Cc: Craig Troutman, Finance
Jack Qvale, Board of Estimation and Taxation

Resolution 2012R-

Colvin Roy and Hodges

T&PW and W&M/Budget – Your Committees recommends passage of the accompanying resolution for PV062- Riverside Avenue Reconstruction Phase 2, increasing the budget by \$360,459.72 funded by contributions in lieu of assessment.

Resolution 2010R-
By Colvin Roy and Hodges

Amending the 2012 Capital Improvement Appropriation Resolution

Resolved by The City Council of The City of Minneapolis:

That the above-entitled resolution, as amended, be further amended by increasing the appropriation for the PW-Capital Improvements Fund and revenue budget (04100-9010937-CPV062 revenue source 322501) by \$248,040.38, and increase the appropriation for the PW-Capital Improvements Fund and revenue budget (04100-9010937-CPV062 revenue source 322501) by \$112,419.34.